



3015 (02-09-04)

ANNUAL REPORT

OF

Name: SPENCER MUNICIPAL WATER UTILITY

Principal Office: 105 PARK STREET
SPENCER, WI 54479

For the Year Ended: DECEMBER 31, 1997

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: SPENCER MUNICIPAL WATER UTILITY**Utility Address:** 105 PARK STREET
SPENCER, WI 54479**When was utility organized?** 12/1/1940**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: GERALD KOBS**Title:** VILLAGE CLERK TREASURER**Office Address:**105 PARK STREET
SPENCER, WI 54479**Telephone:** (715) 659 - 5423**Fax Number:** (715) 659 - 5358**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: NONE**Title:****Office Address:****Telephone:****Fax Number:****E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

Individual or firm, if other than utility employee, auditing utility records:

Name: MICHAEL FOTH**Title:****Office Address:** HAWKINS ASH BAPTIE & CO101 WEST 29TH STREET
MARSHFIELD, WI 54449**Telephone:** (715) 387 - 1131**Fax Number:****E-mail Address:****Date of most recent audit report:** 3/1/1998**Period covered by most recent audit:** 1997

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: EUGENE BIALOZOR**Title:** WATER PLANT OPERATOR**Office Address:**608 EAST DEPOT STREET
SPENCER, WI 54479**Telephone:** (715) 659 - 5443**Fax Number:****E-mail Address:**

Name of utility commission/committee: UTILITIES COMMITTEE

Names of members of utility commission/committee:

GREG GRIEPENTROG

JIM KILTY

MIKE SZYBOWICZ, CHAIRMAN

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:**Contact Person:****Title:****Telephone:****Fax Number:****E-mail Address:**

Contract/Agreement beginning-ending dates:**Provide a brief description of the nature of Contract Operations being provided:**

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	236,317	223,417	1
Operating Expenses:			
Operation and Maintenance Expense (401)	89,276	107,985	2
Depreciation Expense (403)	26,593	26,308	3
Amortization Expense (404)	0		4
Taxes (408)	2,726	3,358	5
Total Operating Expenses	118,595	137,651	
Net Operating Income	117,722	85,766	
Income from Utility Plant Leased to Others (412-413)	0		6
Utility Operating Income	117,722	85,766	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0		7
Nonoperating Rental Income (418)	0		8
Interest and Dividend Income (419)	3,119	3,801	9
Miscellaneous Nonoperating Income (421)	0		10
Total Other Income	3,119	3,801	
Total Income	120,841	89,567	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0		11
Other Income Deductions (426)	0		12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	120,841	89,567	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	13,805	16,217	13
Amortization of Debt Discount and Expense (428)	440	440	14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0		16
Other Interest Expense (431)	0		17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	14,245	16,657	
Net Income	106,596	72,910	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	69,053	(3,857)	19
Balance Transferred from Income (433)	106,596	72,910	20
Miscellaneous Credits to Surplus (434)	0		21
Miscellaneous Debits to Surplus--Debit (435)	0		22
Appropriations of Surplus--Debit (436)	0		23
Appropriations of Income to Municipal Funds--Debit (439)	0		24
Total Unappropriated Earned Surplus End of Year (216)	175,649	69,053	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
Local Government Investments	3,119	4
Total (Acct. 419):	3,119	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	236,317	0	0	0	236,317	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:					0	6
Revenues subject to Wisconsin Remainder Assessment	236,317	0	0	0	236,317	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,564,523	1,473,823	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	353,295	328,531	2
Net Utility Plant	1,211,228	1,145,292	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	1,025	1,025	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	1,025	1,025	
Investment in Municipality (123)	0		5
Other Investments (124)	69,851	85,290	6
Special Funds (125)	12,293	32,629	7
Total Other Property and Investments	83,169	118,944	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	(236,120)	(337,888)	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0		10
Customer Accounts Receivable (142)	15,325	16,835	11
Other Accounts Receivable (143)	2,828	8,278	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	8,232	6,566	14
Materials and Supplies (150)	11,266	8,885	15
Prepayments (165)	0		16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	(198,469)	(297,324)	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	1,555	14,264	18
Extraordinary Property Losses (182)	0		19
Other Deferred Debits (183)	0		20
Total Deferred Debits	1,555	14,264	
Total Assets and Other Debits	1,097,483	981,176	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	244,700	244,700	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	175,649	69,053	23
Total Proprietary Capital	420,349	313,753	
LONG-TERM DEBT			
Bonds (221)			24
Advances from Municipality (223)	43,618	37,783	25
Other long-Term Debt (224)	223,237	255,753	26
Total Long-Term Debt	266,855	293,536	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0		27
Accounts Payable (232)	37,000	2,045	28
Payables to Municipality (233)	0		29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	4,056	4,511	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	41,056	6,556	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0		34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0		36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	369,223	367,331	38
Total Liabilities and Other Credits	1,097,483	981,176	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	1,380,607	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)	183,916				6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	1,564,523	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	353,295	0	0	0	9
Total Accumulated Provision	353,295	0	0	0	
Net Utility Plant	1,211,228	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	328,531				328,531	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	26,593				26,593	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	871				871	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	27,464	0	0	0	27,464	13
Debits during year						14
Book cost of plant retired	2,700				2,700	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	2,700	0	0	0	2,700	19
Balance End of Year	353,295	0	0	0	353,295	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	1.96%					22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	1,025			1,025	1
Other (specify):					
NONE				0	2
Total Nonutility Property (121)	1,025	0	0	1,025	
Less accum. prov. depr. & amort. (122)				0	3
Net Nonutility Property	1,025	0	0	1,025	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)
Balance first of year	1
Additions:	
Provision for uncollectibles during year	2
Collection of accounts previously written off: Utility Customers	3
Collection of accounts previously written off: Others	4
Total Additions	<u>0</u>
Deductions:	
Accounts written off during the year: Utility Customers	5
Accounts written off during the year: Others	6
Total accounts written off	<u>0</u>
Balance end of year	<u><u>0</u></u>

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	1
Other					0	2
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	11,266	8,885	2
Sewer utility			3
Gas utility			4
Merchandise			5
Other materials & supplies			6
Total Materials and Supplies	<u>11,266</u>	<u>8,885</u>	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
BOND ISSUANCE COST	1	1	1,555	1
Total			<u><u>1,555</u></u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u><u>0</u></u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	244,700	1
Changes during year (explain):		
NONE		2
Balance end of year	244,700	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
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NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
DUE TO GENERAL FUND	00/00/0000	00/00/0000	0.00%	43,618	1
Total for Account 223				43,618	
Other Long-Term Debt (224)					
LOAN @ SSB	07/07/1995	07/03/2005	6.00%	48,887	2
LOAN @ SSB 3	07/24/1989	07/24/1999	5.00%	26,888	3
LOAN @ CHEMICAL BANK	04/01/1992	04/01/2002	5.00%	147,462	4
Total for Account 224				223,237	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year		1
Accruals:		
Charged water department expense	2,726	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	2,726	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	2,400	7
PSC Remainder Assessment	326	8
Other (explain):		
NONE		9
Total payments and other debits	2,726	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE				0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE				0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
BLANK	4,511	13,805	14,260	4,056	3
Subtotal	4,511	13,805	14,260	4,056	
Notes Payable (231)					
NONE				0	4
Subtotal	0	0	0	0	
Total	4,511	13,805	14,260	4,056	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	367,331					367,331	1
Add credits during year:							
For Services	1,892					1,892	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	369,223	0	0	0	0	369,223	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS RECEIVABLES	69,851	2
Total (Acct. 124):	69,851	
Special Funds (125):		
DEBT SPECIAL FUNDS	12,293	3
Total (Acct. 125):	12,293	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	15,325	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	15,325	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
BLANK	2,828	11
Total (Acct. 143):	2,828	
Receivables from Municipality (145):		
BLANK	8,232	12
Total (Acct. 145):	8,232	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)
Payables to Municipality (233):	
NONE	16
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	17
Total (Acct. 253):	0

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	1,369,604	0	0	0	1,369,604	1
Materials and Supplies	10,075	0	0	0	10,075	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	340,913	0	0	0	340,913	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	368,277	0	0	0	368,277	6
Other (specify):					0	7
Average Net Rate Base	670,489	0	0	0	670,489	
Net Operating Income	117,722	0	0	0	117,722	8
Net Operating Income as a percent of						
Average Net Rate Base	17.56%	N/A	N/A	N/A	17.56%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	244,700	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	122,351	3
Other (Specify):		4
Total Average Proprietary Capital	367,051	
Net Income		
Net Income	106,596	5
Percent Return on Proprietary Capital	29.04%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Income Statement Account Details (Page F-02)

Funds were borrowed in April of 1992 to replace water lines on HWY 98 and there were some monies still left over for final completion, funds are invested with local government investments.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

Report filed manually by utility. Revised to conform to system, keyed & edited by PSC staff.

4/28/98

PJL

June 23, 1998

Mr. Gerald Kobs, Clerk
Spencer Municipal Water Utility
P.O. Box 360
Spencer, WI 54479-0360

1997 Analytical Review DWCCA-5620-PJL

Dear Mr. Kobs:

The Public Service Commission (Commission) is in the process of completing an analytical review of your utility's 1997 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. During our review, we noted that while you report \$26,593 for depreciation expense both on line 7 of the Water Operating Revenues & Expenses Schedule on page W-1 and in column (b) of line 3 of the Income Statement on page F-1, you report \$27,464 for accruals charged depreciation expense on line 4 of the Accumulated Provision For Depreciation And Amortization Of Utility Plant Schedule on page F-7. Please explain and provide all related annual report corrections noting that at this point the balance sheet does not balance.
2. Please provide a revised copy of the Meters Schedule on page W-16, noting that the meter numbers in column (f) must equal the numbers in column (o) by size as well as in total.
3. During our review, we noted that while you report no mains as added during the year in column (e) of the Water Mains Schedule on page W-14, you report 307 for additions during the year for Account 343, Transmission and Distribution Mains, in column (c) of line 27 of the Water Utility Plant In Service Schedule on page W-8. Please explain.
4. The Commission is now using a computerized system to build an annual report database. It is, therefore, important to have a complete and correct annual report. The following changes have been made in our copy of your annual report. Please confirm these changes or indicate the necessary

FINANCIAL SECTION FOOTNOTES

corrections:

Page
Lines
Column
Reported As
Should Be

F-20 3 b 36,455 122,351
F-20 Tot Ave Prop Cap b 281,155 367,051
F-20 % Ret on Prop Cap b 37.91 29.04
W-7 26 d 90.52 .9052
W-14 2 & 3 All Blank*
W-14 6 d & h 13,717 50,290*
W-14 7 d & h 9,405 9,826*
W-15 2 All Blank**
W-15 3 c & g 3 4**

* To combine mains of the same material, function and diameter.

** To combine services of the same material and diameter

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Peter J. Leege
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

PJL:W:\COMPL\LEEGE\5620 ar/ssa

UTILITY RESPONSE TO REVIEW LETTER FILED IN BACK OF PAPER COPY OF ANNUAL REPORT.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	234,663	1
Total Sales of Water	234,663	
Other Operating Revenues		
Forfeited Discounts (470)	0	2
Other Water Revenues (474)	1,654	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	1,654	
Total Operating Revenues	236,317	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	61,078	5
General Operating Expenses (680-690)	28,198	6
Total Operation and Maintenance Expenses	89,276	
Other Operating Expenses		
Depreciation Expense (403)	26,593	7
Amortization Expense (404)		8
Taxes (408)	2,726	9
Total Other Operating Expenses	29,319	
Total Operating Expenses	118,595	
NET OPERATING INCOME	117,722	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	640	23,680	116,650	4
Commercial	93	8,762	31,508	5
Industrial	5	1,921	6,870	6
Total Metered Sales to General Customers (461)	738	34,363	155,028	
Private Fire Protection Service (462)	7		4,740	7
Public Fire Protection Service (463)	1		68,692	8
Other Sales to Public Authorities (464)	9	1,791	6,203	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	755	36,154	234,663	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	68,692	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	68,692	
Forfeited Discounts (470):		
Customer late payment charges		5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,144	7
Other (specify):		
CURB STOP TURN ON & HOOKING UP METERS	510	8
Total Other Water Revenues (474)	1,654	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	22,401	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	5,555	3
Chemicals (630)	11,338	4
Supplies and Expenses (640)	7,412	5
Repairs of Water Plant (650)	14,372	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	61,078	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	9,197	8
Office Supplies and Expenses (681)	1,437	9
Outside Services Employed (682)	7,314	10
Insurance Expense (684)	3,661	11
Employees Pensions and Benefits (686)	6,589	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	28,198	
Total Operation and Maintenance Expenses	89,276	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		0	
Social Security		2,400	3
PSC Remainder Assessment		326	4
Other (specify): NONE			5
Total tax expense		2,726	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Marathon				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.220900				3
County tax rate	mills		6.841900				4
Local tax rate	mills		11.326700				5
School tax rate	mills		12.779400				6
Voc. school tax rate	mills		2.019900				7
Other tax rate - Local	mills						8
Other tax rate - Non-Local	mills						9
Total tax rate	mills		33.188800				10
Less: state credit	mills		2.189600				11
Net tax rate	mills		30.999200				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		11.326700				14
Combined School Tax Rate	mills		14.799300				15
Other Tax Rate - Local	mills						16
Total Local & School Tax	mills		26.126000				17
Total Tax Rate	mills		33.188800				18
Ratio of Local and School Tax to Total	dec.		0.787193				19
Total tax net of state credit	mills		30.999200				20
Net Local and School Tax Rate	mills		24.402362				21
Utility Plant, Jan. 1	\$	1,474,848	1,474,848				22
Materials & Supplies	\$	8,885	8,885				23
Subtotal	\$	1,483,733	1,483,733				24
Less: Plant Outside Limits	\$	0					25
Taxable Assets	\$	1,483,733	1,483,733				26
Assessment Ratio	dec.		0.905200				27
Assessed Value	\$	1,343,075	1,343,075				28
Net Local & School Rate	mills		24.402362				29
Tax Equiv. Computed for Current Year	\$	32,774	32,774				30
Tax Equivalent per 1994 PSC Report	\$						31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	0					32
Tax equiv. for current year (see note 6)	\$	0					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	400		1
Franchises and Consents (302)	134		2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	534	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)	95,298	16,400	8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	95,298	16,400	
PUMPING PLANT			
Land and Land Rights (320)	2,041	1,500	12
Structures and Improvements (321)	43,181		13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)	175		15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)	31,737		17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)	7,900		20
Total Pumping Plant	85,034	1,500	
WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)	217,396		23
Total Water Treatment Plant	217,396	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			24
Structures and Improvements (341)			25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			400	1
Franchises and Consents (302)			134	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	534	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			111,698	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	111,698	
PUMPING PLANT				
Land and Land Rights (320)			3,541	12
Structures and Improvements (321)			43,181	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			175	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			31,737	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			7,900	20
Total Pumping Plant	0	0	86,534	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)	1		217,395	23
Total Water Treatment Plant	1	0	217,395	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	92,950		26
Transmission and Distribution Mains (343)	642,905	307	27
Fire Mains (344)			28
Services (345)	110,617	350	29
Meters (346)	42,692	3,952	30
Hydrants (348)	66,470		31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	955,634	4,609	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)			36
Transportation Equipment (373)			37
Other General Equipment (379)	4,705	2,197	38
Other Tangible Property (390)			39
Total General Plant	4,705	2,197	
Total utility plant in service directly assignable	1,358,601	24,706	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	1,358,601	24,706	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)			92,950 26
Transmission and Distribution Mains (343)			643,212 27
Fire Mains (344)			0 28
Services (345)	450		110,517 29
Meters (346)	2,249		44,395 30
Hydrants (348)			66,470 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	2,699	0	957,544
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			6,902 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	6,902
Total utility plant in service directly assignable	2,700	0	1,380,607
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	2,700	0	1,380,607

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			3,818	3,818	1
February			3,477	3,477	2
March			4,133	4,133	3
April			4,596	4,596	4
May			4,292	4,292	5
June			4,326	4,326	6
July			4,623	4,623	7
August			4,066	4,066	8
September			4,026	4,026	9
October			3,719	3,719	10
November			3,780	3,780	11
December			3,655	3,655	12
Total for year	0	0	48,511	48,511	
Less: Measured or estimated water used in main flushing and water treatment during year				3,649	13
Less: Other utility use				3,950	14
Other utility use explanation:					15
WATER MAIN BREAKS					
Water pumped into distribution system				40,912	16
Less: Water sold				36,154	17
Losses and unaccounted for				4,758	18
Percent unaccounted for to the nearest whole percent (%)				12%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				172	21
Date of maximum: 7/20/1997					22
Cause of maximum:					23
HIGH USE					
Minimum gallons pumped by all methods in any one day during reporting year				77	24
Date of minimum: 12/10/1997					25
Total KWH used for pumping for the year				80,199	26
If water is purchased:Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
307 SOUTH LASALLE	1	42	30	5,000	Yes	1
406 SOUTH JEFFERSON	3	33	26	7,000	Yes	2
404 SOUTH LASALLE	4	44	30	123,000	Yes	3

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	1	3	4	1
Location	307 SOUTH LASALLE	404 SOUTH JEFFERSON	404 SOUTH LASALLE	2
Purpose	P	P	P	3
Destination	D	D	D	4
Pump Manufacturer	PONOMA	LAYNE	POMONA	5
Year Installed	1940	1992	1981	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	100	150	100	8
Pump Motor or Standby Engine Mfr	WESTINGHOUSE	GE	FAIRBANKS MORSE	10
Year Installed	1940	1974	1981	11
Type	ELECTRIC	ELECTRIC	ELECTRIC	12
Horsepower	7	7	15	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1	2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	4
			5
Year constructed	1940	1967	6
			7
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	8
			9
Elevation difference in feet (See Headnote 3.)	122	124	10
			11
Total capacity in gallons	50,000	200,000	12
WATER TREATMENT PLANT			13
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER	OTHER	14
			15
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE	16
			17
Filters, type (gravity, pressure, other, none)	OTHER	OTHER	18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	100.0000	150.0000	20
			21
Is a corrosion control chemical used (yes, no)?	Y	Y	22
			23
Is water fluoridated (yes, no)?	Y	Y	24
			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	4.000	3,030				3,030
M	D	6.000	50,290				50,290
M	D	8.000	9,826				9,826
M	D	10.000	7,999				7,999
Total Within Municipality			71,145	0	0	0	71,145
Total Utility			71,145	0	0	0	71,145

1
2
3
4

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	734		1		733	64	1
M	1.000	2	1			3		2
M	1.250	4				4		3
M	1.500	8				8		4
M	2.000	4				4		5
M	3.000	1				1		6
Total Utility		753	1	1	0	753	64	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	728	44	42		730	40	1
1.000	7	1			8		2
1.250	5				5		3
1.500	7	1			8	1	4
2.000	5				5	1	5
4.000	4				4	3	6
Total:	756	46	42	0	760	45	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	640	78	3	4		5	730	1
1.000		5	1	1		1	8	2
1.250		4				1	5	3
1.500		4	1	3			8	4
2.000		4		1			5	5
4.000				4			4	6
Total:	640	95	5	13	0	7	760	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality					0	1
Within Municipality	97				97	2
Total Fire Hydrants	97	0	0	0	97	
Flushing Hydrants						
	1				1	3
Total Flushing Hydrants	1	0	0	0	1	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	97
Number of distribution system valves end of year:	187
Number of distribution valves operated during year:	94

WATER OPERATING SECTION FOOTNOTES

Water Utility Plant in Service (Page W-08)

Account 314 addition is for drilling a new well.

Sources of Water Supply - Ground Waters (Page W-11)

#1 is run 2 days/month, #3 is run 1 day/week
